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<b>Action Plan</b>	A description of reportable problems or reportable financial management system nonconformances, their root cause(s), and the action(s) planned for correcting them (DOE O 413.1).
<b>Actual Cost of Work Performed (ACWP)</b>	The cost incurred and recorded in the accounting system for accomplishing the work performed within a specified time period. Also, the direct and indirect costs applicable to the work which has been performed (DOE N 4700.5, <i>Project Control System Guidelines</i> ).
<b>Allocable Cost</b>	A cost allocated to particular cost objectives (i.e., a specific function, project, process, or organization) if chargeable or assignable to such cost objectives in accordance with the relative benefits received or other equitable relationships.
<b>Allowable and Nonallowable Costs</b>	<p>Allowable costs are determined by the following factors:</p> <ul style="list-style-type: none"><li>• Reasonableness: A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business.</li><li>• Allocability: A cost is allocable if it is assignable or chargeable to one or more cost objectives on the basis of relative benefits received or other equitable relationship.</li><li>• Standards promulgated by the CAS Board, if applicable; otherwise, generally accepted accounting principles and practices appropriate to the particular circumstances.</li><li>• Terms of the contract specifying unique or general costs.</li></ul> <p>(48 CFR 9, <i>Department of Energy Acquisition Regulation</i>, Part 970, DOE Management and Operating Contracts)</p>
<b>Applied Cost</b>	<p>a. The value (purchase price) of goods and services used, consumed, given away, lost, or destroyed within a given period of time, regardless of when ordered, received, or paid for:</p> <ol style="list-style-type: none"><li>1. operating programs, applied cost represents the value of resources consumed or used</li><li>2. procurement and manufacturing programs, applied cost represents the value of material received or produced</li><li>3. capital outlay programs, applied cost represents the value of work put in place</li></ol>

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### Applied Cost (cont'd)

4. loan activities, applied cost represents assets acquired (even though no resource has been consumed)
  5. cost accounting reports, applied cost represents estimated overhead rates and when measured against actual costs produces overhead variance amounts
- b. In the case of appropriations for programs that are essentially operating in nature, equipment is included in applied cost when it is placed in use. For all programs, accrued annual leave is included in applied cost when the leave is earned rather than when taken, even though it may be unfunded at the time; and depreciation cost and other unfunded costs are included where appropriate. Generally, applied costs are associated with program outputs so that such costs become the financial measures of resources consumed or applied in accomplishing a specific purpose such as performing a service, carrying out an activity, or completing a unit of work or a specific project.

### Approved Funding Program (AFP)

The AFP is an internal DOE document issued by the Office of Budget to program managers and operating activities, setting forth the funds available for the program release activity in each appropriation and fund account. The AFP specifies pertinent legal limitations and funding ceilings applicable to programs, subprograms, activities, and elements of expense. The AFP delegates the authority to program managers to initiate program release documents for their respective programs. Each allottee will use the AFP in conjunction with the associated allotment to establish funding ceilings on the obligational authority available to program managers and organizational elements (formerly referred to as Financial Plans).

### Avoidable Costs

Those costs that are incurred as the result of negligence or willful misconduct by the contractor or its subcontractor in carrying out the terms and conditions of the contract. There are three types of non-allowable avoidable costs: (1) fines and penalties; (2) losses; and (3) loss, destruction, or theft of government property (48 CFR 9, *Department of Energy Acquisition Regulation*, Part 970).

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<b>Baseline</b>	A quantitative expression of projected costs, schedule, and technical requirements; the established plan against which the status of resources and the progress of a project can be measured (DOE O 430.1).
<b>Baseline</b>	A quantitative expression of projected costs, schedule, and technical requirements. Baseline establishment should include criteria to serve as a base or standard for measurement during the performance of an effort; the established plan against which the status of resources and the progress of a project can be measured.
<b>Baseline Change Control Board</b>	A multidiscipline body of representatives designated and chartered by the appropriate management level to ensure the proper definition, coordination, evaluation, and disposition of all changes to project baselines within their chartered jurisdiction.
<b>Baseline Change Proposal</b>	The instrument/document prepared to provide a complete description of a proposed change and its resulting impacts on project baselines.
<b>Baseline Development</b>	Includes management actions necessary to define project scope and responsibilities, establish baselines, and plan the project (DOE N 4700.5).
<b>Budget</b>	A financial plan used to estimate the results of future operations.
<b>Budgeted Cost of Work Performed (BCWP)</b>	The planned value of work accomplished or the value of the work completed. Also known as earned value (DOE N 4700.5, <i>Project Control System Guidelines</i> ).
<b>Budgeted Cost of Work Performed</b>	The value of completed work expressed in terms of the budget assigned to such work.
<b>Budgeted Cost of Work Scheduled (BCWS)</b>	The sum of budgets for all control accounts for work scheduled to be accomplished within a given time period. Also, the time-phased budget plan (baseline) that represents the contract work plan (DOE N 4700.5, <i>Project Control System Guidelines</i> ).

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<b>Change Management</b>	Management actions necessary to ensure adequate control of project baselines, including the performance measurement baseline. The results of assessments, surveillances, etc., are implemented as part of change management (DOE N4700.5).
<b>Conceptual Design</b>	The activities required to evaluate project design alternatives and to develop sufficient detail to baseline the scope, cost, and schedule for project authorization (DOE O430.1).
<b>Concern</b>	A negative performance statement, derived from subjective or objective evidence during oversight appraisal or surveillance activities. Concerns are classified as closed, open, or resolved. A Closed Concern is a concern whose corrective action has been completed. An Open Concern is one that exists without resolution or agreement. A Resolved Concern whose corrective action has been agreed upon but not yet corrected or verified.
<b>Configuration Management</b>	The systematic evaluation, coordination, approval (or disapproval), documentation, implementation, and audit of all approved changes in the configuration of a product after formal establishment of its configuration identification.
<b>Construction</b>	Any combination of engineering, procurement, erection, installation, assembly, demolition, or fabrication activities involved in creating a new facility or to alter, add to, rehabilitate, dismantle, or remove an existing facility. It also includes the alteration and repair (including dredging, excavating, and painting) of buildings, structures, or other real property, as well as any construction, demolition, and excavation activities conducted as part of environmental restoration or remediation efforts. It does not involve the manufacture, production, finishing, construction, alteration, repair, processing, or assembling of items categorized as personal property.
<b>Contract</b>	A binding legal relationship basically obligating the seller to furnish personal property or nonpersonal services (including construction) for which the buyer compensates. It includes all types of commitments that obligate the Government to an expenditure of funds and which, except as otherwise authorized, are in writing. In addition to a two-signature document, it includes

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<b>Contract (continued)</b>	all transactions resulting from acceptance of offers by awards or notices of awards; agreements and job orders or task orders issued thereunder; letter contracts; letters of intent; and orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance. It also includes contract modifications.
<b>Contract Authority</b>	A form of budget authority under which contracts or other obligations may be incurred in advance of appropriations or receipts. Contract authority does not provide funds to pay the obligations and thus requires a subsequent appropriation or the use of collections to liquidate the obligations. Appropriations to liquidate contract authority are not classified as budget authority since they are not available for obligation. Section 401 of the Congressional Budget Act of 1974 limits new contract authority, with few exceptions, to the extent or amount provided by appropriation acts.
<b>Contract Reform Initiative</b>	Moves DOE from a compliance-driven performance measurement system to one that is results oriented with the objectives of improving the quality of the services provided and ensuring that the government only pay for services actually received (DOE Acquisition Regulation - Acquisition Letter No. 95-04).
<b>Contracting Officer</b>	A Federal Government official who, in accordance with DOE or agency procedures, currently is designated as a contracting officer with the authority to enter into and administer contracts, financial assistance awards, and sales contracts and make determinations and findings with respect thereto, or any part of such authority. The term also includes the designated representative of the contracting officer acting within the limits of his/her authority.
<b>Contracting Officer</b>	A person designated to enter into and/or review, modify, or terminate any contracts, financial assistance awards, and sales contracts and make related determinations and findings.

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<b>Contracting Officer's Technical Representative</b>	The individual in DOE who is assigned responsibility for overall technical monitoring of a contract and identified as such in the contract. The contracting officer's technical representative monitors the technical work performed under the contract, evaluates the contractor's performance, provides the contractor and the contracting officer with technical guidance, reports on contract status to DOE program and project management, and recommends corrective action when necessary.
<b>Contractor</b>	The term "contractor" is intended to mean and include all persons, organizations, departments, divisions, and companies having contracts, agreements, or a memorandum of understanding with DOE.
<b>Cost Accounting Standards (CAS)</b>	Standards promulgated by the CAS Board, if applicable; otherwise, generally accepted accounting principles and practices appropriate to the particular circumstances (48 CFR 9, <i>Department of Energy Acquisition Regulation</i> , Part 970).
<b>Cost Baseline</b>	Time-phased budget that has been developed from the cost estimate made at approval of the technical baseline, and the majority of the budget has been time-phased in accordance with the project schedule. It contains direct and indirect budget; management reserve budget; undistributed budget and higher level budgets; contingency amount; and amount for fee, as appropriate (DOE N 4700.5, <i>Project Control System Guidelines</i> ).
<b>Cost Baseline</b>	A budget, based on the technical baseline cost estimate, that is time-phased in accordance with the project schedule. The cost baseline is subject to formal change control, and normally contains direct and indirect budget; management reserve budget; undistributed budget and higher level budgets; contingency amount; and amount for fee, as appropriate.
<b>Cost Estimate</b>	A statement of costs estimated to be incurred in the conduct of an activity such as a program, or the acquisition of a project or system (DOE Order 5700.2D, <i>Cost Estimating, Analysis, and Standardization</i> ).
<b>Cost Estimate</b>	A documented statement of costs estimated to be incurred to complete the project. Cost estimates provide baselines against which cost comparisons are made during the life of a project.

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<b>Cost-Reimbursement Contracts</b>	Includes Cost-Reimbursement-No-Fee, Cost-Reimbursement-Plus-Award Fee, Cost-Sharing, Cost-Plus-Incentive-Fee, Cost-Plus-Fixed-Fee (FAR Part 16.3).
<b>Cost Variance</b>	Variance is the difference between planned and actual performance. Variances that exceed established thresholds normally require further review, analysis, or action. Established thresholds should be revised during the life of a project to ensure meaningful analysis (DOE N 4700.5, <i>Project Control System Guidelines</i> ).
<b>Critical Decision</b>	A formal determination at a specific point in a project that allows the project to proceed. Critical decisions occur in the course of a project, for example: prior to commencement of conceptual design, commencement of execution, and prior to turnover.
<b>Customer</b>	An organization, department, or individual that receives goods and/or services from another organization, department, or individual.
<b>Department of Energy Acquisition Regulation (DEAR)</b>	Supplements the FAR with acquisition policies and procedures which are unique to DOE (such as items related to M&O contracts) necessary to accomplish the DOE mission (Department of Energy Acquisition Regulation).
<b>Departmental Elements</b>	First-tier organizations at Headquarters and in the Field. First tier at Headquarters is the Secretary, Deputy Secretary, Undersecretary, and Secretarial Officers (Assistant Secretaries and Staff Office Directors). First tier in the Field is Managers of the eight Operations Offices, Managers of the three Field Offices, and the Administrators of the Power Marketing Administrations. Headquarters and Field Elements are described as follows: 1) Headquarters Elements are DOE organizations located in the Washington metropolitan area; and 2) Field Elements is a general term for all DOE sites (excluding individual duty stations) located outside of the Washington, D.C., metropolitan area.
<b>Direct Cost</b>	Any cost that can be specifically identified with a particular project or activity, including salaries, travel, equipment, and supplies directly benefiting the project or activity.

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<b>Direct Costs</b>	Costs that can be specifically identified with a particular project or activity, including salaries, travel, equipment, and supplies directly benefiting the project or activity (DOE Order 4700.1, <i>Project Management System</i> , Attachment III, Definitions).
<b>Directly Associated Cost</b>	Any cost that is generated solely as a result of incurring another cost, and that would not have been incurred had the other cost not been incurred (48 CFR 9, <i>Department of Energy Acquisition Regulation</i> , Part 970).
<b>DOE Contractor</b>	An entity who receives an award from DOE, including management and operating contractors, that manage, operate, or provide site services to DOE research or production facilities that are principally engaged in work for the DOE.
<b>DOE Facilities</b>	Any of the DOE-owned, -leased, or -controlled facilities.
<b>DOE Facility Representative</b>	For each major facility or group of lessor facilities, an individual, or designee, assigned responsibility by the Head of the Field Element/Operations Organization for monitoring the performance of the facility and its operations. This individual should be the primary point of contact with the contractor and will be responsible to the appropriate Secretarial Officer and Head of the Field Element/Operations Organization for implementing occurrence reporting requirements.
<b>Earned Value (EV)</b>	Earned value is the value of completed work expressed in terms of the budget assigned to that work. With regard to cost and schedule control systems criteria, earned value is the budgeted cost of work performed (DOE N 4700.5).
<b>Energy System Acquisition Advisory Board (ESAAB)</b>	The ESAAB assists the Acquisition Executive in the decision-making process for major system acquisitions and selected major projects (DOE Order 4700.1, <i>Project Management System</i> , Chapter I, Part D, Major System Acquisitions and Major Projects).
<b>Estimate at Completion (EAC)</b>	The actual cost incurred to date plus the estimated costs (direct and indirect) of all remaining work, including authorized work that has not been definitized. The purpose of EAC is to determine overall project status and performance against the authorized budget. [DOE N 4700.5, <i>Project Control System Guidelines</i> ]



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<b>Facilities</b>	Land, buildings, and other structures, their functional systems and equipment, and other fixed systems and equipment installed therein, including site development features outside the plant, such as landscaping, roads, walks, and parking areas; outside lighting and communication systems; central utility plants; utilities supply and distribution systems; and other physical plant features.
<b>Facilities Management</b>	A documented process by which facilities are operated and maintained.
<b>Facility</b>	<ul style="list-style-type: none"><li>a. Field Management: The buildings, utilities, structures, and other land improvements associated with an operation or service and dedicated to a common function.</li><li>b. Environment, Safety, and Health: Any equipment, structure, system, process, or activity that fulfills a specific purpose. Examples include accelerators; storage areas; explosive operations; fusion research devices; nuclear reactors; production or processing plants; coal conversion plants; magnetohydrodynamics experiments; windmills; radioactive waste disposal systems; burial grounds; environmental restoration activities; testing laboratories; research laboratories; transportation activities; and accommodations for analytical examinations of irradiated and unirradiated components.</li><li>c. Nonproliferation and National Security: An educational institution, manufacturing plant, laboratory, office building, or complex of buildings located on the same site that is operated and protected as one unit by DOE or its contractor(s).</li><li>d. Waste Management: All contiguous land, structures, other appurtenances, and improvements on the land used for treating, storing, or disposing of waste or spent nuclear fuel.</li></ul>
<b>Facility Contractor</b>	An entity that operates and maintains Federal Government-owned facilities under contract with and for the benefit of DOE.
<b>Facility Management</b>	The management staff of the facility operator (the contractor).
<b>Facility Operator</b>	The organization responsible for conducting operations at a DOE facility.

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<b>Federal Acquisition Regulation (FAR)</b>	Establishes procedures, methods, and forms for conducting all types of acquisitions (research, development, construction, and other products and services) for use by federal agencies and contractors (Federal Acquisition Regulation).
<b>Field Element</b>	See Departmental Element.
<b>Financial Management System</b>	Manual and automated system that is used to collect, classify, analyze, and report data for financial decision-making; process, control, and account for financial transactions and resources; formulate and execute the budget; and generate financial information in support of DOE's mission.
<b>Fines and Penalties</b>	A sum of money exacted as punishment. The assessment is imposed by statute or regulation as a consequence of the commission of an offense or act of omission. The fine or penalty may be imposed in a civil enforcement action or result from a criminal conviction (48 CFR 9, <i>Department of Energy Acquisition Regulation</i> , Part 970).
<b>Fixed-Price Contracts</b>	Includes Firm-Fixed-Price, Fixed-Price with Economic Price Adjustment, Fixed-Price with Prospective Price Redetermination, Firm-Fixed-Price Level-of-Effort, etc. (FAR part 16.2).
<b>Fixed-Price Contracts</b>	Fixed-price contracts provide for a firm price or, under appropriate circumstances, may provide for an adjustable price for the supplies or services that are being procured. In providing for an adjustable price, the contract may fix a ceiling price, target price (including target cost), or minimum price. Unless otherwise provided in the contract, any such ceiling, target, or minimum price is subject to adjustment only if required by the operation of any contract clause that provides for equitable adjustment, escalation, or other revision of the contract price upon the occurrence of an event or a contingency.

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### Full Cost

All direct and allocable costs of producing a material or providing a service consistent with generally accepted accounting principles. They include:

1. Direct labor (including fringe benefits), direct materials, other direct costs, processing materials and chemicals, power and other utilities, and maintenance;
2. Indirect costs, i.e., common costs that cannot be directly assigned to specific cost objectives and are therefore allocated to cost objectives in a systematic cost allocation process;
3. Contractor profit/fees and management allowances paid by DOE;
4. Depreciation costs that are directly associated with facilities and equipment utilized, and allocated depreciation costs for support and general facilities and equipment; and
5. Added factor includes general and administrative costs and other support costs that are incurred for the benefit of DOE, an organizational unit, or a material or service as a whole. The base to which the added factor percentage is to be **[need rest of definition]**

### General Plant Projects

Miscellaneous minor new construction projects of a general nature, the total estimated costs of which may not exceed the congressionally estimated limit. General plant projects are necessary to adapt facilities to new or improved production techniques, to effect economies of operations, and to reduce or eliminate health, fire, and security problems. These projects provide for design or construction (or both); additions and improvements to land, buildings, and utility systems; and they may include construction of small new buildings, replacements or additions to roads, and general area improvements.

### General Purpose Facilities Projects

Line item construction projects estimated to cost greater than \$2 million and that are required to support the long-term administrative and technical needs of DOE-operated laboratories and facilities. Multiprogram general purpose facilities are restricted to general purpose facilities projects at the multiprogram laboratories/site where no one program will use more than approximately 60 percent of the planned facility.

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<b>Graded Approach</b>	The depth of detail required and the magnitude of resources expended for a particular management element to be tailored to be commensurate with the element's relative importance to safety, environmental compliance, safeguards and security, programmatic importance, magnitude of the hazard, financial impact, and/or other facility-specific requirements.
<b>Head of the Contracting Activity</b>	Head of a Departmental Element who has been delegated authority by the Deputy Assistant Secretary for Procurement and Assistance Management to award and administer contracts, sales contracts, and/or financial assistance instruments; appoint contracting officers; and exercise the overall responsibility for managing the contracting activity.
<b>Incentive Contracts</b>	Includes Fixed-Price Incentive, Cost-Reimbursement Incentive, Cost-Plus Incentive, etc. (FAR part 16.4).
<b>Incurred Costs</b>	Costs that are applied to the performance of the project, whether they arise from payments, cost accruals, or transfers of costs from other DOE locations or Federal agencies. Incurred costs also comprise payments made or due to date, including any retained percentages, and lump-sum and unit price contracts based on payment estimates approved by the contracting officer and designated representative for the purpose of making the progress or final payment on work performed to date.
<b>Incurred Costs</b>	Costs are applied to the performance of the project. All costs incurred for a project are reported, whether they arise from payments, cost accruals, or transfers of costs from other DOE locations or Federal agencies. Any time costs are incurred by cost-type contractors, the amount will be included in that period. Incurred costs also comprise payments made or due to date, including any retained percentages, and lump-sum and unit price contracts based on payment estimates approved by the contracting officer and designated representative for the purpose of making the progress or final payments on work performed to date. Costs shall not be accrued on the basis of a percentage of physical completion, unless the amounts of such costs are approved by the contracting officer or his or her designated representative as progress or partial payments.

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<b>Indefinite Delivery Contracts</b>	Includes definite quantity indefinite delivery, indefinite quantity indefinite delivery, and requirements contracts (FAR part 16.5).
<b>Independent Assessment</b>	An assessment, made outside the normal advocacy chain, of a project's status or condition. In the project management system, it is made by the Office of Program/Project Management in its role of independent monitoring. It will consist of independent evaluation of all pertinent factors in order to provide a condition rating or detailed analysis of the project or system situation. Independent assessments will typically be provided in conjunction with Headquarters reporting to senior DOE management; advisory board decision reviews; or other purposes associated with the program planning and budgeting system, acquisition or other DOE management control and direction processes. These independent evaluations must be based on knowledge of the actual project and related institutional matters. The Office of Program/Project Management will obtain this knowledge through reports from the project management and program organization, the Departmental managing office and principal contractors, and direct communication and discussion of project matters with the DOE managing and program offices.
<b>Indirect Cost</b>	A cost incurred by an organization for common or joint objectives and which cannot be identified specifically with a particular project or activity (See 10 CFR 600).
<b>Indirect Costs</b>	Costs incurred by an organization for common or joint objectives and which cannot be identified with a particular project or activity. Examples are utilities, computer processing, security, and administrative expenses. Indirect costs are often referred to as overhead or burdened expense (DOE Order 4700.1, <i>Project Management System</i> , Attachment III, Definitions).
<b>Individual Development Plan</b>	Provides a blueprint for the employee's training, development, education, experience, and qualification based on the Department's and organization's goals, objectives, and mission; technical qualification standards for the position (if applicable); and the employee's personal and professional development goals (DOE O 360.1, <i>Training</i> ).

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<b>Integrated Contractor</b>	A contractor that works for DOE, uses DOE funds to finance its operations under a cost-type contract, and maintains a separate set of accounts and records for the recording and reporting of all business transactions under the contract in accordance with DOE accounting practices and procedures; and whose accounts, maintained for operations under the contract, are integrated with those of DOE.
<b>Interagency Agreement</b>	A written agreement entered into between a DOE requiring or supplying office and the appropriate official of another Federal agency, which specifies the goods to be furnished or tasks to be accomplished by one agency in support of the other, i.e., used as a procurement instrument written to clearly specify the goods to be furnished or work contemplated, reporting requirements, procurement and patent policy, and arrangements for transfer of funds.
<b>Interest-Based Bargaining</b>	As a formal procedure is relatively new and requires a joint commitment from both parties to formally adopt the interest-based procedures (DOE-G-3710.1A, <i>Labor-Management Relations Program for Federal Employees</i> , Chapter III, Negotiations).
<b>Issue</b>	A general statement based upon concerns and observations that establish a significant deficiency or programmatic breakdown in an area of health or safety performance, the extent of the deficiency or programmatic breakdown, its specific or generic applicability. An issue is developed from one or more concerns or observations.
<b>Landlord Program Office (Landlord)</b>	The Headquarters program office responsible for the support, planning, acquisition, operation, maintenance, and disposition of physical assets related to infrastructure.
<b>Lessons Learned</b>	A “good work practice” or innovative approach that is identified and shared, or an adverse work practice or experience that is shared to avoid recurrence.

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<b>Life Cycle Cost</b>	The direct, indirect, recurring, nonrecurring and other related costs incurred or estimated to be incurred in the design, development, production, operation, maintenance, and support of an asset over its anticipated useful life span, and final disposition. Revenues such as user fees, salvage receipts, or power revenues, should be included as an offset to cost, if this is incidental to the project's mission (for example, a production reactor might incidentally produce and sell electric power).
<b>Life Cycle Cost (LCC)</b>	The sum total of the direct, indirect, recurring, nonrecurring and other related costs incurred or estimated to be incurred in the design, development, production, operation, maintenance, support, and final disposition of a major system over its anticipated life span. Where system or project planning anticipates use of existing sites or facilities, restoration, and refurbishment costs should be included.
<b>Line Organization</b>	That unbroken chain of command that extends from the Secretary through the Undersecretary, to Secretarial Officers who set program policy and plans and develop assigned programs, to the field element managers who are responsible for execution of these programs, and to the contractors who conduct the programs.
<b>Major Item of Equipment</b>	<p>Any item of capital equipment, or a group of automatic data-processing components (e.g., a computer system) having a total estimated purchase value of \$2,000,000 or more, including related capitalized costs, and not related to construction: 1) For new items, the purchase equivalent value is based upon list, anticipated, or actual purchase price; and 2) For used items, reutilization of DOE-reassigned, Federal Government excess, or exchange/sale items, the purchase equivalent value is based upon the current best estimate market value.</p> <p>(Note: The determining factor for a major item of equipment is the estimated purchase value of the item(s) regardless of whether the actual method of acquisition is purchase, lease, or some combination of the two. Thus, a leased item of equipment is a major item of equipment if the estimated purchase equivalent value of the item is \$2,000,000 or more, even if the annual lease cost is less than \$2,000,000.)</p>

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<b>Management and Operating Contractor</b>	Those conducting work pursuant to a management and operating contract.
<b>Milestone</b>	An important or critical event and/or activity that must occur in the project cycle in order to achieve the project objective(s).
<b>Obligations</b>	Amounts of orders placed, contracts awarded, services received, and similar transactions during a given period that will require payments during the same or a future period. Such amounts include outlays for which obligations have not been previously recorded and reflect adjustments for differences between obligations previously recorded and actual outlays to liquidate those obligations. All obligations must be supported by written documentation or law.
<b>Oversight</b>	Refers to the responsibility and authority assigned to the Assistant Secretary for Environment, Safety and Health to independently assess the adequacy of DOE and contractor performance. Oversight is separate and distinct from line management activities, including self-assessments.
<b>Performance-Based Training</b>	A systematic approach to training that is based on tasks and the related knowledge and skills required for job performance. This term is synonymous with the Instructional System Design, Systematic Approach to Training, Criterion Referenced Instruction, Training System Design, and Competency-Based Training.
<b>Performance Criteria</b>	A condition or set of conditions that, when satisfied, indicates successful completion of the performance objective.
<b>Performance Evaluation Plans (PEPs)</b>	PEPs delineate and communicate to the contractor's milestones and performance objectives for the upcoming rating periods.
<b>Performance Indicator</b>	Operational information that is indicative of the performance or condition of a facility, group of facilities, or site.
<b>Performance Measure</b>	A process of assessing progress toward achieving predetermined goals.



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<b>Performance Objective</b>	<ul style="list-style-type: none"><li>a. A statement of wants, needs, and expectations of customers that sets the direction for all contract effort.</li><li>b. A statement of desired outcomes for an organization or activity.</li></ul>
<b>Performance Result</b>	The actual condition of performance level for each measure.
<b>Physical Assets</b>	<p>All DOE-owned or DOE-used and -controlled land, land improvements, structures, utilities, motor vehicles, equipment, and components are included:</p> <ul style="list-style-type: none"><li>1. Real property or real estate includes land, improvements on the land, or both, including interests therein. All equipment or fixtures (such as plumbing, electrical, heating, built-in cabinets, and elevators) that are installed in a building in a more or less permanent manner or that are essential to its primary purpose are usually held to be part of real property.</li><li>2. Related personal property means any personal property that, once installed, becomes an integral part of designed for, or specially adapted to, the functional or productive capacity of the real property. The removal of related personal property will significantly diminish the economic value of the real property or the related personal property. Examples of related personal property are communications and telephone systems.</li><li>3. Personal property is generally capitalizable property that can be moved, or that is not permanently affixed to and part of real estate. Generally, items remain personal property if they can be removed without seriously damaging or diminishing the functional value of either the capitalizable property or the real estate. Examples of personal property are shop equipment and automated data processing and peripheral equipment.</li></ul>
<b>Planning Estimates</b>	<p>Developed for each project at the time of project identification. Since these are developed prior to conceptual design, they are order of magnitude only and have the least amount of accuracy and lowest confidence level. Care should be exercised in these estimates to assure that the order of magnitude is correct, since a tendency exists to avoid changing this estimate, particularly upward, once established.</p>

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<b>Program Management</b>	Management responsibility and authority for specific programs will normally be delegated by the cognizant Program Secretarial Officer. The Headquarters functions of program management include planning and developing the overall program; establishing broad priorities; providing policy and broad program direction; preparing and defending the budget; establishing the technical performance, scope, cost, and schedule requirements for projects; controlling DOE Headquarters-level
<b>Program Management (cont'd)</b>	milestones; integrating all components of the program; providing public and private sector policy liaison; and expediting overall accountability for program success. The field function includes implementing these program activities, controlling field-level milestones, and providing major support to the Headquarters programming budgeting and processes.
<b>Program Manager</b>	An individual in an organization or activity who is responsible for the management of a specific function or functions, who is responsible for budget formulation, and for execution of the approved budget. The Program Manager receives an approved funding program from the Office of the Controller identifying program dollars available to accomplish the assigned function.
<b>Project</b>	In general, a unique effort that supports a program mission with defined start and end points, undertaken to create a product, facility, or system with interdependent activities planned to meet a common objective/ mission. Projects include planning and execution of construction/renovation/modification/environmental restoration or decontamination and decommissioning efforts, and large capital equipment or technology development activities. Tasks that do not include the above elements, such as basic research, grants, and operations and maintenance of facilities, are not considered projects.

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<b>Project</b>	A project is a unique major effort within a program that has firmly scheduled beginning, intermediate, and ending date milestones; prescribed performance requirements, and prescribed costs; and close management, planning, and control. A project is a basic building block in relation to a program which is individually planned, approved, and managed. A project is not constrained to any specific element of the budget structure (e.g., operating expense or plant and capital equipment). Construction, if required, is part of the total project. Authorized, and at least partially appropriated, projects will be divided into three categories: major system acquisitions, major projects, and other projects.
<b>Project Control System</b>	The planning, scheduling, budgeting, estimating, work authorization, cost accumulation, performance measurement, reporting, change control, and other systems used by a contractor to plan and control the work.
<b>Project Execution Plan</b>	<p>The project execution plan is the document that is used to:</p> <ul style="list-style-type: none"><li>• Guide the execution or carrying out the project</li><li>• Acknowledge the project-planning assumptions, alternatives, and decisions</li><li>• Facilitate communication among the principals</li><li>• Define key management reviews as to content, extent, and timing</li><li>• Provide a baseline for progress measurement and project control</li></ul>
<b>Project Management</b>	A management approach in which authority and responsibility for execution are vested in a single individual. This approach provides focus on the planning, organization, direction, and control of all activities within the project. The project management plan is the document that sets forth the plans, organization, and systems that those responsible for managing the project shall utilize (DOE N 4700.5, <i>Project Control System Guidelines</i> or DOE Order 4700.1, <i>Project Management System</i> ).

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<b>Project Management</b>	A management approach in which authority and responsibility for execution are vested in a single individual, at a level below the general manager, to provide focus on the planning, organizing, directing, and controlling of all activities within the project. In general terms, project management functions include assisting the program manager in preparing Headquarters documents and establishing key milestones and overall schedules. Other activities include developing and maintaining the project management plan; managing project resources; establishing and implementing management systems, including performance measurement systems; and approving and implementing changes to project baselines.
<b>Project Manager</b>	An official who has been assigned responsibility for closely related efforts established to achieve stated or designated objectives, defined tasks, or other units of related effort on a schedule for performing the stated work funded as part of the project. The project manager is responsible for the planning, controlling, and reporting of the project.
<b>Project Manager</b>	An official who has been assigned responsibility for accomplishing a specifically designated unit of work effort or group of closely related efforts established to achieve stated or designated objectives, defined tasks, or other units of related effort on a schedule for performing the stated work funded as part of the project. The project manager is responsible for the planning, controlling, and reporting of the project.
<b>Project Performance</b>	Management actions after work commences that are necessary to monitor project status, report and analyze performance, and manage risk. Assessments, surveillances, etc., are conducted for this purpose (DOE N4700.5, <i>Project Control System Guidelines</i> ).
<b>Schedule Baseline</b>	The time-phased plan with a logical sequence of interdependent activities, milestones, and events necessary to complete the project. The schedule baseline shall be formally changed during the execution of the project when required (DOE N 4700.5, <i>Project Control System Guidelines</i> ).

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<b>Scope</b>	In baseline management terminology, the term “scope” refers to those performance and design requirements, criteria, and characteristics derived from mission needs that provide the basis for project direction and execution. In budget terminology, the term “scope” refers to the congressionally approved project parameter/tasks as defined in the Congressional Project Data Sheet.
<b>Strategic System (formerly Major Systems Acquisition)</b>	A special type of line item project(s) that is a single, stand-alone effort within a program mission area that is a primary means to advance DOE’s strategic goals. Designation of a strategic system is determined by the Secretary based on cost, risk factors, international implications, stakeholder interest, and/or national security.
<b>Strategic System Critical Decision Process</b>	See Critical Decision.
<b>Systematic Approach to Training (SAT)</b>	<p>The five phases of the systematic approach to training are:</p> <ul style="list-style-type: none"><li>• Analysis: Definition of a requirement or problem; identification of probable causes and possible solutions; selection of a solution that best fits the organizational needs. For training solutions, gathering information pertinent to training or creating data that serves as the foundation for the systematic development or revision of training programs.</li><li>• Design: Determination of training program curriculum, training content for each instructional unit, goals, objectives, and testing requirements.</li><li>• Development: Production of all training, documentation, and evaluation materials.</li><li>• Implementation: Training delivery and trainee mastery of the learning objectives.</li><li>• Evaluation: Assessment of trainees’ performances and the effectiveness of the training session.</li></ul> <p>(DOE Order 5480.18B, <i>Accreditation of Performance Based Training for Category A Reactors and Nuclear Facilities</i>; DOE Order 5480.20A, <i>Personnel Selection, Qualification, and Training Requirements for DOE Nuclear Facilities</i>; DOE Order 360.1, <i>Training</i>)</p>

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<b>Technical Baseline</b>	The baseline that is based on the functional requirements of the end products that are derived from the mission needs. Technical baselines, plus approved changes to those baselines, constitute the current configuration identification.
<b>Third-Party Liability</b>	The risk that the contractor is exposed to that involves some potential legal action from an entity outside the DOE-contractor agreement, which may claim injury resulting from contract activities (48 CFR 9, <i>Department of Energy Acquisition Regulation</i> , Part 970, DOE Management and Operating Contracts).
<b>Time-and-Materials, Labor-Hour, and Letter Contracts</b>	Three distinctly different types of contract FAR part 16.6 Agreements, Basic Agreements, and Basic Ordering Agreements (FAR 16.7).
<b>Total Estimated Cost</b>	An estimate of the total cost of a task, demonstration, or program. The total estimated cost differs from a planning estimate in that it is based on definitive information regarding technical scope, contracting methods, schedule, and resource requirements. As such, once a task is approved, its total estimated cost is baselined and becomes subject to change control procedures.
<b>Total Project Cost</b>	Consists of all costs specific to a project incurred prior to the start-up of facility operation. All research and development, operating, plant, and capital equipment costs, specifically associated with a project.
<b>Total Estimated Costs (TEC) and Total Project Costs (TPC)</b>	<p>Definitions for TEC and TPC are provided in DOE Orders 5100.3, <i>Field Budget Process</i>, and 5700.2C, <i>Cost Estimating, Analysis, and Standardization</i>. The below listed definitions, extracted from these documents form the basis for development of standardized cost estimates.</p> <p>On occasion, there may be projects that cannot comply with these definitions and guidance. For these projects, variances must be requested by the project and approved by the Office of Program/Project Management prior to Key Decision No. 1 when establishing project baselines and requesting line item funding.</p>

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### TEC and TPC (continued)

- a. TEC. TEC includes the following estimated costs:
  - Land, land rights, depletable resources, and improvements to land
  - Engineering, design, and inspection (Titles I, II, and III)
  - Construction management of main plant, balance of plant, other facilities, other structures and significant alterations, additions, and improvements to structures (excluding normal maintenance)
  - Utilities, including water and sewage systems, heating ventilation and air conditioning, power systems, communication systems, and fire prevention systems
  - Quality assurance
  - Preoperational construction changes shown to be required during integrated systems testing and hot start testing
  - Safeguards and security systems
  - Project and construction management
  - Direct and indirect construction costs
  - Standard and special facilities
  - All equipment, furniture, and systems contained in main, balance of plant facilities and administrative areas to render the facility usable
  - Computer systems, if dedicated to the project
  - Contingency and economic escalation
  - Decontamination and/or disposal cost of equipment and construction rubble when the purpose of the project is to replace existing facilities
- b. TPC. TPC includes all research and development (R&D), operating, plant and capital equipment costs, specifically associated with project construction up to the point of routine operations, which will include but not be limited to:
  - Total Estimated Costs
  - Pre-Title I activities, such as:
    - Conceptual Design Reports (CDR)
    - Preliminary Safety Analysis Report, if initiated prior to KD-1
    - Preparation of Project Data Sheets, design criteria, National Environmental Policy Act (NEPA) documentation, and formulations of Quality Assurance Criteria

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### TEC and TPC (continued)

- R&D necessary for fabrication, testing, and rework of prototype equipment
- R&D (scale-up or demonstration plants of high-risk technology) required prior to start of construction
- One-time costs related to testing, start-up, operator training, and commissioning
- Initial inventories and spare parts
- Site suitability testing and evaluation
- Quality Assurance related to site suitability and testing
- Regulation compliance
- Grant to state and local governments
- Payments equal to taxes
- Systems studies and selected systems engineering services
- Institutional activities related to facility siting and external interactions
- Decontamination and decommissioning costs.
- Economic escalation
- Contingency (applicable to TPC)

### Total Quality Management (TQM)

Already defined in the DOE glossary.

### Traditional Bargaining

Practitioners have successfully utilized interest-based bargaining techniques within the context of traditional bargaining procedures for years, and are encouraged to do so (DOE-G-3710.1A, *Labor-Management Relations Program for Federal Employees*, Chapter III, Negotiations).

### Training

The process of providing for and making available to an employee(s) and placing or enrolling an employee(s) in a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in fiscal, administrative, management, individual development, or other fields which improve individual and organizational performance and assist in achieving the agency's mission and performance goals.



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<b>Uninterruptible Power Supply</b>	A power supply that provides automatic, instantaneous power, without delay or transients, on failure of normal power. It can consist of batteries or full-time operating generators. It can be designated as standby or emergency power depending on the application. Emergency installations must meet the requirements specified for emergency power.
<b>Work Breakdown Structure (WBS)</b>	The milestones and deliverables (services, products, or data) called for in the Work Breakdown Structure (WBS) become the measuring devices by which progress in a project can be measured. By setting these before work begins, both the contractor and the Department will know what is to be expected (DOE N 4700.5, <i>Project Control System Guidelines</i> ).
<b>World Wide Web</b>	A hypertextual front-end navigator for the Internet. HyperText links in documents link to other documents, lists, and other resources, making it very easy to access related pieces of information. Using a single interface, users are able to tap into data in different locations and different formats, without having to use different tools or know locations.